INITIAL STATEMENT OF REASONS TITLE 13, ARTICLE 3.0.

Section 151.00

Health and Safety Code Sections 43150 through 43156 prohibit California residents and established places of business in California from importing, delivering, purchasing, renting, leasing, acquiring, or receiving new vehicles for use, registration, or resale in this state that are not equipped with emission systems certified by the Air Resources Board (ARB). The certification by the ARB is necessary as California emission standards are more stringent than Federal emission standards. California residents purchase vehicles out of state not knowing of the law or its consequences in spite of efforts to inform people of the law. Some incur large financial burdens for the mistake, and suffer considerable hardship and expense. The Legislature in passing the emission standards laws also provided various exemptions in the Health and Safety Code and the Vehicle Code to accommodate specific circumstances that might require the purchase of a vehicle out of state by a California resident or business.

The department proposes to adopt Section 151.00 to clarify the conditions used to refuse registration for new motor vehicles that are not certified by the California ARB and not eligible under an exemption to the certification. The proposed section will also identify the various exemptions authorized by California law.

§151.00. Refusal of Registration.

Section 151.00(a) would establish the statutes that authorize the department to refuse registration. This is to inform the general public of the conditions that may lead to the refusal of registration when a California resident or business obtains a vehicle that is not equipped with an emission systems certified by ARB. Misinformation and frantic attempts by new vehicle owners that have been refused registration to circumvent this law emphasize the need to establish this regulation.

Section 151.00(a)(1) would define the term "new motor vehicle" as the same definition provided in the Health and Safety Code statutes. This subparagraph combines portions of two sections of the Health and Safety Code (Sections 43151(a) and 43156(a)) related to the odometer mileage threshold at the time the resident or business obtained the motor vehicle. This is necessary to clarify when a vehicle is subject to this law and discourages vehicle owners from attempting to circumvent the law.

Section 151.00(a)(1)(A) would clarify that the odometer reading is the main criteria in determining when a vehicle qualifies or does not qualify as a new motor vehicle. The statutes are not clear as to when the odometer reading is to be taken and when it is not. This subparagraph is necessary to clearly and simply state for the general public when the odometer reading is to be taken for the purpose of determining eligibility to motor vehicle registration in California.

Section 151.00(a)(2) would clarify the types of motor vehicles that are affected by the Health and Safety Code statutes. This subparagraph identifies the various types of motor vehicles that are required to be in compliance with California's emission standards.

Section 151.00(a)(3) would clarify that the term "resident" as used in the Health and Safety Code has the same meaning as the term "resident" defined in the Vehicle Code. This is necessary to provide consistency between the two codes and further clarifies and identifies who is compelled to comply with California's emission standards.

Section 151.00(a)(4) would clarify that California residents, who are military personnel on active duty outside of California when the motor vehicle is obtained, shall qualify as non-residents as authorized in Vehicle Code section 6701. This subparagraph clarifies a long-standing policy that provides an exemption for residents who, because of military commitments, are unable to obtain vehicles that comply with California's emission standards.

Section 151.00(b) would clarify what exemptions are available to a California resident or business and that documentation of eligibility for the exemption may be required. The subparagraph clarifies that the exemptions are not merely based on a resident's statement, but on documentation verifying the exemption status exists. This is necessary to ensure compliance with California's emission standards.